
—ALERT—

Capitol Contact

Thursday, January 26, 2023

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Call Now to Support Funding for School Construction

Bills to be Heard Tomorrow – Call House Finance Subcommittee Members to Support

[HB 2316 \(Bourne\)](#) would permit any county or city to impose an additional local sales and use tax of up to 1 percent, if initiated by a resolution of the local governing body and approved by voters at a local referendum. The revenues of such a local tax would be used solely for capital projects for the construction or renovation of schools. Any tax imposed shall expire when the costs for capital projects are to be repaid and shall not be more than 20 years after the date of the resolution passed. Currently, this authority is limited to the qualifying localities of Charlotte, Gloucester, Halifax, Henry, Mecklenburg, Northampton, Patrick, and Pittsylvania Counties and the City of Danville. Eight of these localities have held and passed voter referendums. [HB 1605 \(Edmunds\)](#) would expand this authority to Prince Edward County and is also supported by VACo.

These bills allow Counties to exercise a local voter approved option to meet their community needs. They are NOT an automatic tax increase.

ACTION REQUIRED – Call your delegates who serve on the [House Finance Subcommittee #3](#) now to encourage their support of HB 2316 and HB 1605. To testify remotely or provide written comments – [use this direct link to the subcommittee](#). Please let VACo know how your legislators respond to your request.

These bills will be heard tomorrow (Friday) at 7:30 a.m. in the [House Finance Committee's Subcommittee #3](#). Please contact members **TODAY** to urge them to support HB 2316 and HB 1605.

KEY POINTS

- Funding for school construction and renovation is one of the biggest concerns and responsibilities of local governments in the Commonwealth and has been almost solely a local responsibility for decades. The condition of the facilities in which children are educated has a direct impact on their ability to learn.
- Many localities face significant challenges in raising sufficient funds to undertake these projects. These challenges include over-reliance on real property taxes to generate revenue, which can have vastly different yields depending on the locality and disproportionately burden a subset of taxpayers within a jurisdiction. This raises concerns over equity and diversity of revenues.
- According to the [Commission on School Construction and Modernization](#), more than half of K-12 school buildings in Virginia are older than 50 years. The amount of funding needed to replace these buildings is estimated to cost \$24.8 billion.
- This legislation is a unanimous recommendation by the Commission on School Construction and Modernization.
- VACo supports the \$1.25 billion in funding made by the General Assembly to address school construction needs last year, however, the greater need persists and will only be solved by a combination of state and local funds.
- These bills are **NOT** a tax increase. They would create a local option and another tool in the toolbox of local government, which would only be enacted by local referendum.
- Legislators should trust their local governments and their mutual constituents to make their own decisions regarding their finances and the health, education, and welfare of their children and their schools.

KEY CONTACTS

[House Finance Committee's Subcommittee #3](#): [Byron](#) (Chair), [Orrock](#), [Freitas](#), [Robinson](#), [Runion](#), [Murphy](#), [Scott, D.L.](#), [Convirs-Fowler](#)

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